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has passed out of the mental grasp of an annalist. In the nineteenth century the work of a chronicler, however meritorious, can never attain a higher position than that of a book of reference—a book in which one can with perfect confidence verify dates and the *minutiae* of events. Ramsay's book, however, lacks the chief and all-essential requisite of a book of reference—an index.

GEORGE LOUIS BEER.

*English Trade and Finance, chiefly in the Seventeenth Century.*

By W. A. S. HEWINS, B.A., University Extension Lecturer on Economic History; late lecturer to the Toynbee Trust. London, Methuen & Co., 1892.—xxxv, 174 pp.

When the present writer, in conversation with a distinguished English economist, once remarked upon the fact that in University Extension classes in England there seemed to be some demand for economic history and scarcely any for economic theory, he was told that this was because it was easier to find satisfactory lecturers in history than in theory. A young man, my authority went on to say, can get up and tell an audience about the fourteenth or seventeenth century, and there is no one to contradict him; whereas, if he discourses on wages and profits the acute manufacturer and shrewd artisan are ready to catch him up at every turn. This was an explanation which, though not without a touch of irony, probably contained a largish grain of truth. There certainly was a time, and not so very long ago, when one or two treatises were given an unquestioning allegiance, and some half dozen stock ideas were stated and restated *ad nauseam* by those few persons who concerned themselves with the subject. But those days are passing away; it must be comforting to the theorists to find that there is now beginning to be almost as much divergence of opinion about the village community as about value. And, having regard to the depressing opinion above quoted, it ought to be even a little more cheering when the criticism of current statements comes from an Extension lecturer himself, as in the present instance.

Mr. Hewins describes his purpose as that of “supplementing, from contemporary authorities, the larger works . . . which are usually read by the [Extension] students.” Accordingly he assumes the amount of knowledge obtainable from such books as Rogers, Toynbee and Cunningham's first edition, and gives us a number of critical essays on the monopolies, the trading companies, the con-

dition of the working classes, and the three commercial treaties of 1703, 1713 and 1786,—essays full of information freshly stated, and of judgments worth considering. Perhaps the most valuable and solid part of the work is to be found in the scattered passages which describe the domestic system of industry, and compare it with modern factory conditions. Mr. Hewins believes,—as most of those who have given any serious attention to the matter are coming to do,—that the effects of the industrial revolution of the eighteenth century have been conceived far too melodramatically; that the domestic industry which it overturned was by no means full of idyllic charm; that, indeed, the rapid development of the factory, while for a time it multiplied and even intensified certain evils, brought out into clearer light abuses which had long before come into existence, and so led to their reform. Mr. Hewins has an intimate personal acquaintance with the condition of the Warwickshire nail-makers; and the sketch he gives of the history of the manufacture during the last three centuries is exceedingly instructive. He sums up with the declaration that the “transition to the factory system has increased the hardships of those who still cling to the wrought-nail trade, but the factory hands are better off and enjoy even greater freedom than was possible under the old system”; and he adds a comparison which I cannot refrain from quoting;

Comparing their prospects under the two systems, there is no single point in which factory organization has not led to an improvement. There are evils to be removed . . . . Two of the processes performed by the women, *viz.*, *fraying* and *turning*, are too severe a strain on their physical strength. The rate of wages, 7s. per week on an average, is low compared with that in the textile industries. Trade-union efforts have not hitherto met with success. But the healthier surroundings, the relatively higher wages, the less laborious work, and the more usual withdrawal of women from the factories have already exercised a beneficial influence on the people. These causes, taken in conjunction with the rapid development of interest in municipal affairs, the improved sanitation, the growth of free libraries and other means of education, the more frequent gatherings for social and political purposes, have greatly improved the lot of working men and women. [Pages 22–23.]

The whole account (pages 16–23) may be commended to the perusal of those who ask what is the bearing of historical investigation on the problems of to-day.

But it has already been hinted that Mr. Hewins's book is largely of a critical, not to say controversial character. The view which he

would seem most anxious to controvert is that which regards with historical approval the great trading companies of the seventeenth century, such as the East India Company, and holds that their trading monopoly was suited to the conditions of the time. As he justly remarks in his very temperate preface, there is danger of a too hasty application to economic history of the theory of evolution; and "it is probable that more stress should be laid on the hostility to the various forms of monopoly which are found during that period." But in the body of the work this judicial temper is hardly maintained; the history of the various companies is accompanied by a running commentary of condemnation which the data presented to us do not always seem clearly to justify; and the summings up in various places scarcely succeed in putting the whole case before us. It is not a little difficult to discover what precisely is the *gravamen* against the company's method, or what Mr. Hewins would have put in its place. He recognizes that individual enterprise was out of the question, and that some sort of trade regulation was necessary (page xiv); and he grants that in the case of distant trades "the joint stock system was far more national with respect to the number of persons benefited than a (merely) regulated company could be," since it gave far greater "facilities for investment" (page 69). But he objects to monopoly. Surely a joint stock implies some sort of limit in the amount of capital invested. One would like to see a plan drawn out by which trade should be carried on by a joint stock company, and yet every one left free to join in the trade with just as much capital as he pleased. Mr. Hewins falls foul likewise, with impartiality, of the regulated companies; and why? Because the regulations imposed by the company "were frequently sufficient to take away all prospect of a reasonable profit" (page 65). Perhaps so; but one would like to know how. I hardly see why we should not recognize the force of the argument alleged at the time on behalf of the regulations, that "if trade were free, the rich would 'eat out the poor . . . and so there would grow a monopoly *ex facto*'" (page 31). For certainly much of the outcry against the companies arose from their limitation of the extent of the undertakings or the amount of stock of the several individuals engaged in the trade (*cf.* page 34). The outcry may easily have come from the richer traders, who saw their opportunities of gain restricted in the interest of the lesser traders; just as to-day it is often the wealthy unscrupulous dealer who is fighting his fellows by "cut prices" who cries out most virtuously against combination, and invokes "freedom of com-

petition." We must not allow ourselves to be unduly impressed by the word "monopoly."

It is a pity that the character of the series in which Mr. Hewins's book appears precludes his supporting his assertions by the citation of authorities. For in many places, and especially in dealing with this topic, Mr. Hewins draws inferences for which he probably has some evidence, but in regard to which we have to suspend our judgment. Thus, the resolution of the Turkey Company in 1718 not to send cargoes for two years is described as "giving the London merchants a monopoly of the trade" (page 51). Surely it affected the London merchants, directly at any rate, as much as other members. The company alleged that the object of the temporary restraint was to overcome a glut in the Eastern markets. What reason is there to suppose that this was not the case; and if it was, why should not their policy be judged in the same way as that of an individual might be who chanced to have a monopoly of the market? If one might venture to dissect Mr. Hewins's mind rather than grub at the facts for one's self, — of course a wrong proceeding, — one might possibly find the explanation of some of his severe utterances concerning the companies in two characteristics. The first of these is perhaps a certain political bias which makes him sympathize with the opposition to the first two Stuarts; and the second is a remnant of — dare one say? — Manchesterism, of which he is himself probably unconscious. For we come across phrases — like "normal condition of trade" (page xv) — which smack strangely of the older economics.

That a reviewer should be led into this vein of controversy is itself a testimony to the stimulating character of the work; most of the books of its size that have appeared of late in this field have been mere *rechauffés* of other people's opinions. There is a good deal more in this of Mr. Hewins besides a condemnation of the companies; and especial attention must be called to his discussion of the effects of the justices' assessment of wages. I must hasten to add that this is just as controversial; and it ought to attract the notice of those who have given a too hasty credence either to Mr. Rogers or to Mr. Cunningham. Our author, with the reverence natural to an Oxford man who realizes how much Thorold Rogers did for his study, has a leaning towards accepting Rogers' opinions — which is very proper; but he interprets them in a higher sense, in which perhaps Mr. Rogers would hardly have recognized them.

The appearance of a book like this is an encouraging sign of the times. It is a prophecy of the day when economic history will have its own circle of serious students and expert critics. And it is, we may trust, but the forerunner of a more considerable treatise from its author, which, by its store of references, shall give more opportunity to the reviewer.

W. J. ASHLEY.

*The Economy of High Wages.* An Inquiry into the Cause of High Wages and their Effect on Methods and Cost of Production. By J. SCHOENHOF. New York, G. P. Putnam's Sons, 1892.—12mo, 407 pp.

*Economic and Industrial Delusions.* A Discussion of the Case for Protection. By ARTHUR B. and HENRY FARQUHAR. New York, G. P. Putnam's Sons, 1891.—12mo, 413 pp.

In the first of these works the author begins by showing, through tables and comparisons, that during the last twenty-five years, in England, France, Germany and the United States, increased earnings of the laborers and decreased cost of production have gone hand in hand. Thus by induction Mr. Schoenhof claims to expose the fallacy of "the iron law of wages." In its place he presents what he calls "the true law of wages," which we may express as follows: High wages mean high productiveness, low cost of production and low prices. Only under a system of complete freedom, Mr. Schoenhof adds, can this true law of wages come into perfect operation. Under such conditions, however, in the interests of capitalist and laborer alike a perfect factory system would surely develop itself and all would work in harmony. Laborers and capitalists would not then be fighting each other for the largest share of an imaginary wage-fund, as Ricardo maintained, but each would be deriving a just remuneration from his legitimate share in the product itself.

Here in the United States, this true law of wages has been working itself out, Mr. Schoenhof declares, in our highly developed factory system, under the freedom secured by our laws of possession, not because of, but rather in spite of, the restrictions of our tariff laws. He is able to show us by convincing tables of comparison that, despite our high wage rate, the cost of production in all important industries in this country is equal to, if not actually lower than, that of Europe. America has at last, according to our author, worked out her industrial independence. We may reform our tariff now on the